



November 12, 2019

via ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: NOTICE OF EX PARTE
***WC Docket No. 18-89 – Protecting Against National Security Threats to the
Communications Supply Chain Through FCC Programs***

Dear Ms. Dortch,

On November 12, 2019, the undersigned met with Nirali Patel, Legal Advisor to Chairman Pai to discuss the above-referenced proceeding.

During the meetings, we discussed the impact of the FCC's Draft Order on RWA members that have deployed Huawei and ZTE equipment and who are also reliant on Universal Service Funds (USF) to maintain and support their existing wireless network. I noted that impacted RWA members have historically made prudent use of the legacy universal service funds to expand, upgrade and operate their networks. We reviewed the *ex parte* filing RWA made on November 4 and November 7 specifically discussing from a purely operational perspective how USF dollars could be used by companies who have deployed Huawei and ZTE equipment to "support" and "maintain" these wireless networks without providing the funding to Huawei or ZTE.

RWA members would like to understand whether maintenance or support would expand to areas not related to payments to Huawei and ZTE. For instance, if there is a power outage, may diesel gas be purchased to run a generator that maintains and supports a network that has existing Huawei or ZTE equipment? May battery back-up systems be purchased with USF? Or even a new generator? What about using USF to pay the electric bill for the electricity that supports the network operations? May a third party not affiliated with Huawei or ZTE be paid to maintain or provide services for the network if ZTE and/or Huawei are no longer allowed to provide these services? May the salaries of employees be paid using USF if those employees are repairing or maintaining existing base stations or adjusting existing Radio Access Networks to optimize coverage? May third party contractors be paid using USF for similar services?

With respect to backhaul and interconnection services, may USF be used to pay for backhaul facilities and interconnection services from third parties as this provides support for the network to function and allow for the receipt and delivery of voice and data services to those subscribers and roamers accessing the network?

From a national security perspective, may USF be used to monitor the network for potential cybersecurity attacks and improve the likelihood of uncovering nefarious activity should such activity be present?

RWA noted that the problem with the Draft Order is the uncertainty surrounding how the FCC and the Universal Service Administrative Company will interpret the meaning of the words “maintain” or “support” in the proposed draft rule § 54.9 (Prohibition on Use of Funds) when pertaining to expenditure of USF on a carrier’s network when audits are conducted. RWA requested the FCC to clarify its intent and noted that the draft rule does not include the words “maintain” or “support”.

Specifically, sub-section (a) of the draft rule states:

(a) No universal service support may be used to purchase or obtain any equipment or services produced or provided by any company posing a national security threat to the integrity of communications networks or the communications supply chain.

RWA suggested that the rule be modified by inserting the word “additional” before the word “equipment” and the word “new” before the word “services”, as follows:

(a) No universal service support may be used to purchase or obtain any *additional* equipment or *new* services produced or provided by any company posing a national security threat to the integrity of communications networks or the communications supply chain.
(emphasis added)

By making this change, it would be clear that an impacted USF recipient could not purchase or obtain additional equipment or new services from Huawei or ZTE, but would be able to maintain existing equipment and the services needed to keep the existing equipment operational until it can be replaced and destroyed

Pursuant to Section 1.1206 of the Commission’s Rules¹, this ex parte is being filed electronically with the Office of the Secretary.

Respectfully submitted,

/s/ Caressa D. Bennet

Caressa D. Bennet, General Counsel
5185 MacArthur Blvd., NW, Suite 729
Washington, DC 20016
(202) 857-4519
legal@ruralwireless.org

cc: Nirali Patel

¹ 47 C.F.R. §1.1206.